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MONTANA LEGISLATIVE HISTORY

Chapter 911 19 91

Bill H _____ S 82 Original bill & history ___C

H. Committee on Education & Cultural Resources			S. Committee on Education & Cultural Resources		
Hearing Date(s)	Mar 12	✓ C	Hearing Date(s)	Jan 18	✓ C
	Apr 02	✓ C		Feb 11	✓ C
		C		Feb 13	✓ C
		C			C
Date Out	Apr 03	✓ C		Feb 13	✓ C

Did this bill originate in an interim committee? ___Yes ___No

Committee _____ Report _____

2/14 SIGNED BY SPEAKER
2/14 TRANSMITTED TO GOVERNOR
2/19 SIGNED BY GOVERNOR
CHAPTER NUMBER 37 EFFECTIVE DATE: 2/19/91

SB 82 INTRODUCED BY VAN VALKENBURG, ET AL.
DIVIDE FUNDING FOR SCHOOL TRANSPORTATION BETWEEN STATE AND COUNTY AID
BY REQUEST OF SCHOOL FUNDING IMPLEMENTATION, LEGISLATIVE OVERSIGHT COMMITTEE ON

1/14	INTRODUCED		
1/14	REFERRED TO EDUCATION & CULTURAL RESOURCES		
1/14	FIRST READING		
1/14	FISCAL NOTE REQUESTED		
1/18	HEARING		
1/18	FISCAL NOTE RECEIVED		
1/18	FISCAL NOTE PRINTED		
2/14	COMMITTEE REPORT—BILL PASSED AS AMENDED		
2/15	2ND READING PASSED AS AMENDED	49	0
2/16	3RD READING PASSED	48	0
	TRANSMITTED TO HOUSE		
2/18	FIRST READING		
2/18	REFERRED TO EDUCATION & CULTURAL RESOURCES		
3/12	HEARING		
3/12	FISCAL NOTE REQUESTED		
3/18	FISCAL NOTE RECEIVED		
3/19	FISCAL NOTE PRINTED		
4/02	COMMITTEE REPORT—BILL CONCURRED		
4/03	REREFERRED TO APPROPRIATIONS		
4/04	COMMITTEE REPORT—BILL CONCURRED AS AMENDED		
4/05	REVISED FISCAL NOTE REQUESTED		
4/06	REVISED FISCAL NOTE PRINTED		
4/06	REVISED FISCAL NOTE RECEIVED		
4/06	2ND READING CONCURRED	64	24
4/06	ON MOTION RULES SUSPENDED TO PLACE ON 3RD READING THIS DAY		
4/06	3RD READING CONCURRED	71	25
	RETURNED TO SENATE WITH AMENDMENTS		
4/11	SECOND REVISED FISCAL NOTE REQUESTED		
4/12	SECOND REVISED FISCAL NOTE RECEIVED		
4/17	2ND READING AMENDMENTS CONCURRED	49	0
4/18	3RD READING AMENDMENTS CONCURRED	48	1
4/22	SIGNED BY PRESIDENT		
4/23	SIGNED BY SPEAKER		
4/23	TRANSMITTED TO GOVERNOR		
4/29	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 711	EFFECTIVE DATE: 7/01/91	

SB 83 INTRODUCED BY JERGESON, ET AL.
PROVIDE THAT INTEREST EARNED ON LICENSE MONEY RECEIVED BY THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS BE DEPOSITED IN THE STATE SPECIAL REVENUE FUND TO THE CREDIT OF THE DEPARTMENT
BY REQUEST OF DEPARTMENT OF FISH, WILDLIFE, & PARKS

1/14 INTRODUCED
1/15 REFERRED TO FINANCE & CLAIMS
1/15 FIRST READING
1/15 FISCAL NOTE REQUESTED
1/21 FISCAL NOTE PRINTED
1/21 FISCAL NOTE RECEIVED
1/28 HEARING
1/29 COMMITTEE REPORT—BILL PASSED

MINUTES

MONTANA SENATE
52nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON EDUCATION

Call to Order:

January 18, 1991, at 1:00 P. M. by Vice-Chairman Harry Fritz.

ROLL CALL

Members Present:
Harry Fritz, Vice Chairman (D)
Robert Brown (R)
Bill Farrell (R)
Dick Pinsoneault (D)
Mignon Waterman (D)
Bill Yellowtail (D)

Members Excused:
Chet Blaylock, Chairman (D)
H. W. "Swede" Hammond (R)
Dennis Nathe (R)

Staff Present: Eddye McClure (Legislative Council).

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

HEARING ON SB 82

Presentation and Opening Statement by Sponsor:

Senator Fred Van Valkenburg, District 30, presented SB 82. He said that SB 82 was one of the products of the HB 28 Oversight Committee. This was an issue that we struggled with for some length during the interim and agreed upon a basic concept at the very end of our discussions during the interim. At that time we only had five of the eight committee members actively participating in the committee so I would like you to at least consider the context as I present this bill.

As I am sure that those of you who were here last session remember and those who are at all involved in school issues know that the Lobel decision in the subsequent affirmation of that decision by the Montana Supreme Court which required that school funding be equalized not just on the instructional side but in

all areas. The 1989 General Session and Special Session struggled at great length to come up with a way to advance the cause of equalization with respect to the foundation program and the retirement levies. In that bill which we adopted we said that the Legislature should continue to study some of the other important areas of school finance which remain to be equalized.

One of the most significant of those areas that remains to be equalized is the financing of public school transportation. Public school transportation is what SB 82 is all about. Under present law we now have a schedule for public school transportation costs which basically says that the state will pay 1/3 of the cost; school districts will pay 1/3 and there will be county-wide levy to support the other 1/3 of the costs. Those are just the scheduled costs of transportation and I suspect you may hear today that the scheduled costs are not adequate to meet the real needs of districts in terms of providing transportation for students but I will tell you, and I think you know from past experience, that you have to start somewhere to try to make some progress on this issue of equalization.

After 18 months of work, the HB 28 Oversight Committee concluded that the way to do that in the area of transportation was to start with the basis of the scheduled costs that we have and without increasing costs substantially to the state, try to move us in the direction of further equalization. The way that we thought that could best be accomplished would be to increase the state's share of transportation's scheduled costs from 1/3 to 1/2 and to say that the other 50% would be funded with a county-wide levy that would be supported by the guaranteed tax base concept. You will find all of that on Pages 22-23 of this bill.

In Section 11 starting with on Line 22, we are striking the formula wherein the scheduled amount is divided by 3 and saying that it will be divided by half--that 1/2 of that will come from the State Transportation Reimbursement and then in the next paragraphs we say that the other half comes from the budget of County Transportation Fund.

In that respect, I think this is a very simple bill. I don't want you to be intimidated by its length or by the complications that come about from utilization of the guaranteed tax base concept that cause an awful lot of the other pages on this bill to be written.

We want to make substantial progress in the area of equalization of transportation funding so that we aren't back in court in the next few months because we have ignored that requirement in the local decision. We certainly could equalize by having 100 percent state funding but this is an incremental step toward equalization of transportation funding. Although it doesn't answer all of the questions, it is an important step.

Because we were down to only five members and because we were struggling with reaching a decision on this issue until around the first week of December, I don't think that we had adequate time for discussion of the mechanics of how a guaranteed tax base support on the county side of the funding would work.

The counsel staff and OPI staff did their best to try to interpret the committee's intent in putting together this bill. In reading what the bill now says, I am not certain that it is the same as the general intent of the HB 28 Oversight Committee. It is my opinion that when we said we wanted the county side of the funding supported by the guaranteed tax base, we wanted one formula for utilization of that guaranteed tax base concept--not one that would be applicable to elementary districts and one that would be applicable to high school districts. That is one of the complicated factors that was put into this bill by virtue of the staff's interpretation of the committee's action.

The reason that I think that the Oversight Committee did not intend that was because one of the main things that we were told in the hearing process was that we had a current formula that treated elementary and high school districts differently. And that it caused districts that had overlapping boundaries and concurrent boards to shift costs from one to the other to their advantage and that we did not have a reasonable data base to work with which would determine what effect the utilization of guaranteed tax base would be, what it was going to do and where we would be after we made this step of going to 50% state funding.

We wanted very much to get high schools and elementary schools on the same system with respect to transportation reimbursement. Because we were on unanimous agreement on that concept, I also think that we were of a mind that we wanted the guaranteed tax base issue to be a proposal that would be uniform on a county-wide basis.

Finally, in that respect there were limitations in any discussion about the issue of reimbursement to special education transportation. Under current law, the state pays 2/3 of the cost of the scheduled special education transportation costs and the county funding is 1/3. Because we have tried to move to 100% state funding of special education costs, I think that it is appropriate and not terribly costly to move to 100% state funding of special education transportation costs and that will also simplify the manner in which transportation reimbursements are made. There has been a fiscal note prepared for this bill as it has been introduced. It hasn't been printed yet. I signed it this morning and I will hand out photo copies of the fiscal note to each of you.

It indicates that there is a 4.4 million dollar general fund impact in this biennium. This is a substantial amount--one that we may or may not be able to afford as we go along. I think that

we have to do something to further the cause of equalization and particularly some of the areas that we didn't act on in the last session such as transportation. I urge you to take your time and think about how we might improve it. If you move to the concept of guaranteed tax base, I think that the committee intended for it to be applied and you move to the concept of 100% special education funding by the state, you can substantially reduce the fiscal impact of this bill.

I think that Mr. Groepper or Miss Thompson from the OPI are prepared to speak to that more specifically than I.

I think that we must continue the effort of equalization; the court mandate is not going to go away. In fact, the representative for the plaintiffs in the law suit told us that they intend to sue us because we have not made the kind of progress that they thought we should make under HB 28.

I know that this won't do the job in order to defend that lawsuit, I think that the legislature has to continue to move in the direction of equalization and I think that this bill in its present form and even in the amended form that I am suggesting, will substantially do that.

Proponents' Testimony:

Greg Groepper said that he believed the sponsor did an excellent job of covering the bill but there remain a couple issues to be considered.

I think that Senator Van Valkenburg's characterization of the problem with two separate ways to calculate guaranteed tax base aid for transportation is exactly something that the committee did not intend so we (OPI) would rise in support of SB 82 and in support of Senator Van Valkenburg's revision to the calculation of guaranteed tax base aid for transportation. I would like to explain why that is important.

Right now transportation costs are calculated very differently for the high school transportation fund as opposed to the elementary transportation fund. What we have on the elementary side, and I think what confuses the fiscal note, is that we have 1/3 from the state, 1/3 from the county and 1/3 from the district of the on scheduled costs of transportation. This is only about half of what school districts pay for transportation. Of that 1/3 at the district level that is coming out of the ~~55~~ mill county equalization account which backs up the foundation program, in the changes that are proposed by Senator Van Valkenburg, you save 4.4 million in the foundation program and you spend 4.4 million in the transportation account so the net effect of the change is a wash.

It really isn't a 4 million dollar expense you net. It's a 4.4 million dollar increase to transportation and a 4.4 million

dollar free-up or decrease to the cost of the foundation program. That is why this bill evens with guaranteed tax base and evens with the concept of funding 100% to special education comes out according to our calculations a cost of about $466,000. (copy went to committee members).

Normally, we wouldn't do this because we believe in the fiscal note process as well but it seemed that it would be helpful as you deliberate this since the fiscal note is still in draft.

The issue with special education just so the committee understands--historically, Montana's share of the on schedule cost (elementary or high school) was 1/3 from state and twice that amount was paid for special education. That is why we had 1/3 state and 2/3 special education. It seems to us that if you are going to increase the state's share of the regular transportation to 50%, to keep the same relationship for special education--that would go to 100% plus it would make it easy for the calculation of this for the folks out in the field.

We are in support of SB 82 and the two amendments that Senator Van Valkenburg proposes.

Larry Fasbender speaking on behalf of the Great Falls Public Schools: We think that it is important that additional information be made available to find out exactly how this legislation is going to affect various districts in the state of Montana. We are asking that before any final action is taken on this bill, we might be given an opportunity to see just how it is going to work out in application. We think it is important to work toward equalization and important that the state begin to pick up more of the cost of transportation. Eventually, we will have to look at the on schedule costs that in many cases are far below what is actually taking place. We support this bill but we would like to further review how it will work when applied and possibly submit further amendments at that time.

Pat Melby speaking on behalf of the Underfunded School Coalition which is the group made up of the plaintiffs that were involved in equalization lawsuit: I hope that any decisions that this committee makes on equalization will be based on what is the right thing to do rather than defending a lawsuit.

I am here to support SB 82. We don't feel this is sufficient but we support any effort that the legislature might make to increase the level of equalization in school funding. I would urge the committee to amend this bill to provide that all on schedule transportation costs be funded by the state. Transportation is really a taxpayer equity issue.

Legislature has set the policy that students living more than three miles from school will be transported to school. Those costs are referred to as on-schedule costs. If the district wants to do more than the minimum requirements as set by state

policy, then that is a local decision and they fund that out of local taxpayer revenues. Districts who have schools located in a small geographical area don't have any transportation costs. There are other schools of the same size with same number of A and B who have tremendous transportation costs because of the large geographical areas and the kinds of roads, weather, etc.,

The only way to equalize those disparities in the on schedule transportation costs is to fund them at the state level. On schedule costs do not schedule the actual costs. I urge the legislature to consider SB 17 and to continue the Oversight Committee in order to study the transportation program and the on schedule costs of transportation.

Tom Billadeaux, Research Director with MEA: The transportation issue is complex and it is worthwhile that this bill attempts to address the issue of funding. I stand in behalf of MEA in general support of SB 82. It is by all indications a very small step toward equalization but it is a step.

Transportation was found to be, by the Supreme Court, a necessary component of access to a quality education. It is something that must be addressed. We must look at the actual costs and how those costs play out in 540 districts across the state of Montana.

Transportation costs in Browning as an example are unique because of difficult roads, difficult terrain, bad weather complicated by unusually high transportation prices charged for basic equipment (and this may be true in other parts of Montana). Those are real costs paid for by the Browning School District and they are necessary costs in order to get students to school. That is part of access to quality education.

Basically the MEA does support this bill. We do hope that the amendments suggested will be seriously considered for inclusion in the bill. It will not solve the question and does not take care of equalization but it is a step in the right direction.

Pat Harrington, Board of Education: Supportive: SB 82.

Theresa Reardon, MT Federation of Teachers: Supportive SB 82.

Bruce Moerer, MT School Boards Association: We are not certain yet what our position will be on SB 82 because we are not certain exactly what this bill is going to do. We have serious doubts that you can equalize without substantial additional state funding. We would like to reserve some time to form an opinion on SB 82 as presented.

Jess Long, School Administrators of Montana: Supportive: SB 82. We know that SB 82 does not fully address equalization in transportation but we feel it is a place to begin in studying the problem.

Opponents' Testimony:

Chip Erdman, MT Rural Education Association: Voiced reluctant opposition to SB 82. We obviously support the increased equalization of transportation along with the other areas of school finance. We appreciate the efforts of the committee and Senator Van Valkenburg and we also recognize the Supreme Court mandate.

We like the standardization of the treatment of the transportation between elementary districts and high school districts. We like the 100% special education transportation reimbursement. However, we are concerned about (and the formal position statement that our association has adopted) is that transportation across the state is so diverse with districts handling it in so many different ways that until the state studies this and gets some idea on what is involved and what the state's obligation should be and adopts a uniform definition, anything that they do aside from that is almost marking time.

The amended, or the secondary, fiscal note that you receive from OPI--as Greg Groepper commented--most of this would go to special education. If that is true and most of this money would go to special education, I ask the committee what is the real impact of this bill for equalization of regular transportation expenses?

We think that the Legislature should continue to study the complex transportation problem and adopt a uniform definition, determine what the state's responsibility is and address the overschedule costs.

At this point, we feel that SB 82 is misdirected and inadequate.

Kay McKenna, Montana County Superintendents: There is a fine line between proponents and opponents. For me, it is just super difficult to accept an ideological concept without understanding what the fiscal would be. I have so many questions with SB 82 that have not been addressed. I am worried about the greater reliance on the taxpayers to pay transportation costs. These transportation costs would be spread throughout the county so that you would have a school district that doesn't have that transportation responsibility paying for those school districts who have a great cost for transportation. Right now the transportation payment is taken out of the county elementary general fund and it is paid 1/3 by the district that it applies to and 1/3 by the state.

On Page 7 before Section 7, it speaks to the calculation of the statewide mill levy. Large schools have greater A & B and they

calculation and after the districts receive this revenue and apply it toward their budget, they don't levy an permissive mills anyway. We have an administrative aggravation here and we thought if we were going to go to guaranteed tax base for transportation, it would make sense to leave it out of the calculation because you lower the state average and you lower the wealth of the counties as well and avoid all of the administrative calculation. The impact of whether you put it in or leave it out doesn't appear to make any difference. So, the concept here is to leave it out of the calculation but the concept remains for retirement and for statewide guaranteed tax base to leave it in because there we are dealing district by district calculations and this is a countywide calculation so we don't think it will make any difference at the county level. That is why it reads the way that it does.

Senator Farrell: But it is different from what we did in HB 28?

Greg Grpoepper: That is correct and the difference is that the non-tax revenues are not included in either part of the calculation.

Senator Farrell: In that same section, Including Reimbursements to a Special Ed Cooperative--not all of the school districts have Special Ed Cooperatives, do they? Are they allowed to join one?

Greg Groepper: You are correct. Not all of the districts have a Special Ed Coop but because we had transportation in here for special ed students, we have to allow the coops to be able to get the reimbursement. At the present time the way the coops get special ed money is by calculating membership of the district. We figure out what we owe the district and we send the money directly to the coop and because the state doesn't fully fund special ed, then the coop bills the district for the extra costs. This merely allows the coop to receive the transportation money like they do the regular special ed money but they will still have to bill the district for the marginal costs for transportation that aren't funded because the schedules are 80 cents a mile.

Senator Farrell: What is above schedule?

Greg Groepper: The kinds of things that go into above schedule would be...first of all, look at the transportation beyond three miles...if the district's transportation set up is such that 80 cents a mile reimbursement doesn't cover the costs of transporting the students outside the three mile limit, those costs would be above schedule. Then the additional above schedule costs would be transportation programs that the district is running that are not outside of that three mile limit.

An example of this: When I was on the school board here in Helena, we had a school in the valley, Rossiter, in that district (we had built a new school) and the students were having to go

costs, it would be a little bit over 18 million dollars to do it.

Senator Fritz: So our figures range from a high of 18 million to a low of $460,000?

Pat Melby: The figures quoted you were the total costs including what the state is now paying.

Senator Fritz: How much is the additional amount?

Unidentified person from OPI: About 8 million dollars.

Senator Farrell: The last session we estimated about 6 million dollars to equalize an additional cost.

Senator Farrell directing a question to Greg Groepper: In Section 6 where it says that oil, gas and coal should not be included in the statewide value and then when the county figures theirs under this proposal, they would include those revenues?

Greg Groepper: No, what is proposed here is that the state wouldn't include it and the county wouldn't include it either.

Senator Farrell: What I am looking at is Page 30, Line 18 and 19 where it says that county transportation net levy requirement for the financing of the county transportation fund reimbursements to districts is computed by Net Proceeds taxes, local government severance taxes and other oil and gas production occurring after December 31, 1988. Does that mean that they would include it?

Greg Groepper: What is intended here is that the concept of guaranteed tax base that is in here for transportation is different from how it is calculated for retirement and regular guaranteed tax base. What is proposed here is that you take the non-levy revenues and don't consider them at the state level and you also do not consider them at the county level when you make this calculation of the county's relative wealth. During the regular session when we were dealing with HB 28 as a result of doing flat tax on oil, gas and coal, there were people who said that we have to include the non-tax revenue when we make a measure of the county's wealth.

We thought that was the correct way to do it because how else do you show a district such as Colstrip which has a lot of wealth in coal but if you didn't include that coal value, they would be eligible for guaranteed tax base support. We have found out that even if a district appears to be eligible because they have to take all of their revenues and spend them first before they levy a permissive levy that would mean that places like Colstrip are wealthy enough that those revenues get spent before they do any permissive mills to qualify them for guaranteed tax base support.

So what we have is an administrative process that has us adding up all of the equal fees and non-tax revenues to make the

would receive greater guaranteed tax base so there would be a greater fiscal responsibility on the small school districts most of whom presently receive no guaranteed tax base.

I am wondering about lowering the 2/3 fiscal responsibility for high school transportation; i.e., how it washes out in making each one half fund. I have no idea because I see no data. I noticed on Page 17, 2A that the state reimbursement figure has been cut to 80 cents a mile. That is so unrealistic, I'm not even going to expound on it. It should be at least $1.00 per mile and 05 cents additional instead of 02 cents. The cost of running most busses now is at least $2.00 a mile.

I don't have a problem with reimbursement being limited to the 180 days (Section 12, Page 27). Greg Groepper states that the elementary and high school transportation are calculated differently. They are not calculated differently; they are paid differently. I am worried about the differential of $166,000 versus 4.4 million. That shows that we need additional data.

Regarding the standardization of the two funds--high school and elementary transportation: There is no data to see a clear picture of how the change will affect the school districts. I think in order to equalize transportation throughout the schools, we have to look with all seriousness and make certain that we are going in a correct direction. Transportation with its statutes and administrative rules has grown. There are layers of inconsistencies. That has been proven through the years.

The Board of Public Ed had a task force and they couldn't begin to address the problems that we are facing in the area of transportation. No one can understand the transportation statutes as they are presently written. Everyone interprets them differently. I think if you pass this bill, you will simply add another layer of inconsistency. I think that we should begin again at the beginning and look at a bill that would study the entire transportation system.

For these reasons I am an opponent of SB 82.

Tom Harwood, private citizen: Testified in opposition to SB 82. State transportation has gotten difficult to sort through and understand but I think that this bill will only add to the confusion. I am in favor of each school district taking care of and paying for their own school transportation needs.

Questions from Committee members:

Senator Farrell: What were the figures presented to the Legislative Oversight Committee on the cost of funding the ORT bill or the 100% state funding?

Unidentified person from OPI: Based on 1989 information inflated if the state wanted to fund 100% on scheduled transportation

across a very busy street (Montana Avenue) to get to school so we decided that it made sense within a certain limit to transport students. That was our decision and we had to pay for that locally. It was within the three mile limit so there was no reimbursement. If you are running transportation program where you are moving students from one school to another because you wanted to provide a program that was in a school to the students over here and it was cheaper to bus them than it was to provide the other program, that would be an example of "above schedule costs."

So there are two components: One is what it costs them above what we reimburse and the other one is what they want to run in addition to beyond three mile transportation.

Senator Waterman: Is there no way that you can calculate what it would cost to fully fund above three miles? Is there a breakdown on what districts are spending on over schedule for that over three mile.

Greg Groepper: There is not a breakdown for what districts are spending above the schedule on children outside the three mile limit. In fairness to the HB 28 Oversight Committee, the data that we have "stinks". All of us put a lot of energy into this and I appreciate Kay's concerns about trying to come up with something that is fair but because we have a mechanism that doesn't fund high school and elementary the same way; and because we weren't on general accepted accounting principles during the same time period, I sense that in part some of the practice has been to charge (and because of the property tax freeze) these expenses where the money is. That doesn't give you any history of what this thing costs. While the property tax freeze was on, this was a levy area where you had increasing costs but you couldn't raise more money so the costs just went where the money was. I think what we came to with the committee after 18 months was that our first step in this process was to get a standard single way of billing this out and paying for it and using generally accepted accounting principles ensuring that the costs above getting a student on the bus (such as the transportation manager, bus maintenance, etc.,)--those are all accounted for in a standard fashion.

After we have a year or two of data, we can come back in the next session and say, "Here is what it costs to transport high school students. Here is what it costs above the three mile limit". We would have some solid data but right now, we don't and we are all just guessing in the dark. It is almost embarrassing to stand here in front of you and to know that you put money into transportation over several years and for us to say that we don't know but we truly don't have any data. I am convinced that two years from now, we will have the data we need. We at OPI would like to have suggested something better than this but, in fairness, we can't suggest anything better than this until we get data.

And, Mr. Chairman, there is 4.4 million more going into transportation. When we talk about the costs, we are talking about a net cost to the state. We say, money in equalization program but we are putting 4.4 million dollars more into transportation than you have there now and then you can reserve the judgement of what you want to do with this 4.4 million dollars savings in foundation, if you want to use that to pay for transportation, or if you want to put it into the schedules or whatever you want to do but you can reserve that judgement for further down the road. All I can say is that this is the right way to go in the short run.

One other thing comes to mind: I think it may be a drafting error (we missed it as well). I don't know that the committee intended for this not to be effective until a year down the road but the fiscal note (for an effective date) has July 1, 1992, on it. I think that the intention would be that this should take effect July 1, 1991. So that miles they are writing in school year 1991-92 would be reimbursed in that school year.

Senator Farrell: I need to know when Kay talked about A & B and the bigger schools versus the smaller rural schools and the cost of reimbursement, etc., did the committee look at that?

Senator Van Valkenburg: We had about six meetings where we were trying to deal with everything that was in HB 28. It is an enormous task. There were a lot of things that needed to be dealt with in SB 17. I don't think that we were able to look at those kinds of things. What we did here was to take a step. Opponents have characterized this SB 82 as being a very small step. That is true but it is a step in the direction of equalization. The most important part here is that we get to a point of simplification of transportation reimbursement and we gather the data that Mr. Groepper says he is embarrassed to tell you that he doesn't have and be able to understand this thing two years from now so that we can then take another step.

I think that all of us knew when we went into this two years ago that this was going to be a decade long process. We're not going to equalize school funding in the course of two years but we took a bigger step in the Montana legislature than virtually any other state took in its ability to legislatively equalize school funding.

Senator Waterman: Do you feel that this bill will help us understand and simplify what we will be looking at two years down the road. What I am thinking is if we don't pass SB 82, no matter what size the step is, two years from now we will still be dealing with this same thing as it is now.

Senator Van Valkenburg: It will be at least as bad two years from now if we don't do anything.

Senator Waterman: I think that the Board of Public Education

studied this. The idea of waiting two more years to study this does not appeal to me. I spent 12 years on the school board and everyone studied transportation for that length of time. It is so confusing, everyone throws their hands up and gives up. It seems to me that this bill will make studying transportation a little easier, if nothing else.

Senator Pinsoneault: Probably the easy solution would be to contract transportation.

Senator Waterman: Well, probably the easier solution would be the one that the gentleman made that everyone fend for himself in sending his own kids to school but I think that in rural Montana, you would probably have open warfare if everyone were told to get their own kids to school. In Helena, it wouldn't be a problem but it would in rural Montana.

Closing by Sponsor:

I want to comment on Mr. Harwood's comments about choice of where you are. When I made the decision of where I now live in Missoula, my wife and I decided that we would buy a house that was three blocks away from what we thought was the best public elementary school in Missoula and two blocks away from the best public high school so personally I don't care about financing public school transportation. However, the other choice that we made was to live in the state of Montana in the United States of America and when we made the choice of living in the United States of America and the state of Montana, we made a contract basically with everyone else who lives in this state and in this country that we would abide by the Constitution of the state of Montana and the United States of America. And according to the Montana Supreme Court, we have to equalize funding of education and they further have said that we have to equalize funding of transportation costs.

I think that is all that I am saying to you today is that we have to make some progress toward this equalization of funding payment of transportation costs. It's not, Senator Pinsoneault, a matter of contracting it out to somebody. We have to figure out a way to pay for it.

It is a question of taxpayer equity here. In my mind, it would be much easier for me to say that we should just equalize this on the basis of district funding and state funding and that is how I started out but I know after a little bit of thought, we have much greater disparity in the source of funding on districts on what the property tax will raise in the district level so by moving to half state funding and half county funding and using the guaranteed tax base concept to equalize the county funding, we are making substantial progress regardless of how others may characterize it as being a very small step.

We are making substantial progress at equalizing the funding and

we can't mix the issue of what the true costs of transportation are with the issue of equalization. No doubt 80 cents a mile does not adequately reimburse people for the costs of transportation but because there are substantial state costs associated with just furthering the issue of equalization, we know as elected officials how hard it is to come up with that money.

There is 4.4 million dollars in here regardless of how you shift it around and in order to make these steps, we can't do it all at once.

I hope that you will reflect on this bill and give it serious consideration. I will ask OPI to draw some of them up that will take care of that problem with the guaranteed tax base and also provide for 100% special education funding.

ADJOURNMENT

Adjournment At: 2:45 P. M.

Harry Fritz
HARRY FRITZ, Vice-Chairman

Betsy Clark
BETSY CLARK, Secretary

HF/bc

STATE OF MONTANA - FISCAL NOTE
Form BD-15
In compliance with a written request, there is hereby submitted a Fiscal Note for SB0082, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:
An act standardizing the funding mechanism for elementary and high school district transportation schedules by dividing the costs between the state and county; establishing a county transportation levy with a revised guaranteed tax base aid formula for eligible counties; amending various sections; and providing a delayed effective date.

ASSUMPTIONS:
1. On-schedule transportation costs will total $16,957,300 in fiscal year 1992 and $16,984,600 in fiscal year 1993.
2. Special education transportation costs will total $1,301,383 in fiscal year 1992 and $1,303,478 in fiscal year 1993.
3. The state appropriation for on-schedule transportation and guaranteed tax base transportation aid will be made from the state general fund.
4. Guaranteed tax base aid payments for county transportation will total $1,572,000 in fiscal year 1993.

FISCAL IMPACT:
Office of Public Instruction
Expenditures:

	FY '92			FY '93		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
Local assistance (transportation)	6,483,120	6,483,120	0	6,493,558	10,933,285	4,439,727
Local assistance (equalization)	393,797,000	393,797,000	0	393,325,000	393,325,000	0
Total	400,280,120	400,280,120	0	399,818,558	404,278,285	4,439,727
Funding:						
General Fund (transportation)	6,483,120	6,483,120	0	6,493,558	10,933,285	4,439,727
General Fund (equalization)	112,655,000	112,655,000	0	128,189,000	123,789,000	(4,400,000)
Net General fund			0			39,727
State Special (equalization)	281,142,000	281,142,000	0	265,136,000	269,536,000	4,400,000
Total	400,280,120	400,280,120	0	399,818,558	404,278,285	4,439,727

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:
School districts will no longer be required to participate in the funding of on-schedule transportation costs with the result of $3.7 million reduced costs which were financed from district levies. These costs will be shifted to the counties who will finance them with the county transportation levy.

TECHNICAL NOTES:
The reference to amended sections in the title referring to "17-2-213" should be "17-3-213".

Rod Sundsted 1-18-91
ROD SUNDSTED, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Fred Van Valkenburg
FRED VAN VALKENBURG, PRIMARY SPONSOR DATE

SENATE EDUCATION
EXHIBIT NO. 1
DATE 1-18-91

Fiscal Note for SB0082, as introduced

7E

PROJECTED STATE COST OF PUPIL TRANSPORTATION - FY92 AND FY93
(based on FY89 transportation data)

	FY92	FY93
CURRENT LAW:		
State On-Schedule	6,483,120	6,493,558
State Equalization Aid	4,400,000	4,400,000
Total	10,883,120	10,893,558
PROPOSED LAW:		
Regular Education	8,478,651	8,492,302
Special Education (100%)*	1,301,383	1,303,478
GTB	1,569,834	1,572,346
Total	11,349,868	11,368,126
DIFFERENCE	466,748	474,568
*Special Education at 2/3	867,589	868,985

SENATE EDUCATION
EXHIBIT NO. 2
DATE 1-18-91
BILL NO. SB

DATE 1-18-91

COMMITTEE ON Education

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Gloria Curdy	[redacted]			
Teresa Reardon	MFT	82	✓	
Mark Malee	"	82	✓	
[illegible]	OPI			
Pat Melby	Unified Schools	82	✓	
TOM BILODEAU	MEA	82	✓	
Kathleen Harrington	BPE	82	✓	
Moerer	MSBA			
[illegible]	SAM	82	✓	
Chip Erdmann	MRSA			X
Ray McKenzie	MACCS	82	✓	
Tom Harwood	Self Statute	82		X
Larry Carbonell	Great Falls Pub. Sch.	82	✓	

(statement with Secretary)

Senator Jergeson said that There are identified boundaries to the Bear Paw Battlefield site placed there in current time by the state of Montana and the Department of Fish, Wildlife and Parks. There are negotiations going on with a nearby land owner about a land trade since there is still some private land in the area that was a part of the battlefield and is not state property.

Senator Pinsoneault asked how much acreage was in the Bear Paw? Senator Jergeson said between 160-200 acres. The land trade would involve 40-60 acres.

Senator Farrell asked if the Big Hole Battlefield is now designated a federal land site. Mr. Cool answered that it is state land and under protection of the Department of Fish, Wildlife and Parks.

Senator Fritz said that the Nez Perce National Historic Trail has been designated together with the Lewis and Clark route and it connects Fort Fizzle (near Lolo), the Big Hole and Canyon Creek (near Laurel). He said that Fort Fizzle is presently an open field marked with a sign and accessible to the public. Some boundaries could probably be determined archaeologically but they can not be seen with the naked eye. He said that he did not know who owns Fort Fizzle. Canyon Creek is on private land and undeveloped. He thought that Bear Paw is a state site with some markers and trails.

Senator Farrell requested that Fort Fizzle be included because he said that is a location where there was a defensive line of about 2-300 troupes and where the Indian people went around before they got to the Big Hole. He said that there is a designated place; he did not know who owns it; he thought the site might be on Forest Service land.

The committee agreed to wait until February 13 to take executive action on SJR 13.

EXECUTIVE ACTION ON SB 82

Discussion:

Senator Hammond told the committee that he had called seven school superintendents in his district to discuss SB 82 with them. He said that they were concerned about the guaranteed tax base in SB 82 and how it would affect their area. He said that the superintendent at Saco seemed to be the best informed and was the most concerned probably because he had experience with a situation where the school received money through an audit and were not allowed to keep it because of a guaranteed tax base.

Senator Brown requested voting be postponed until February 13.

Greg Groepper, Jan Thomson, OPI, discussed SB 82. Exhibit 5.

EXECUTIVE ACTION ON SENATE BILL 82

Motion:

Senator Waterman moved to pass the amendments for SB 82 (See Exhibit 1).

Senator Waterman moved to do pass SB 82 as amended.

Discussion:

Eddye McClure went over the amendments with the committee.

Senator Hammond asked what room and board applies to.

Greg Goeopper replied that room and board only applies to isolated school districts, where they send their kids in for the week and then they do room and board rather than running them back and forth.

Senator Hammond asked why so much, five dollars seemed like a lot.

Greg Goeopper replied that the way it is calculated with the existing statutes, they could pay five dollars now for one eligible tranferee and three dollars for each additional transferee. These changes reflect the same increase to room and board that is in there for people that transfer their own kids.

Senator Hammond asked that there is a choice, which one costs less.

Greg Goeopper replied that there are limits, there are not many isolated districts.

Senator Waterman commented that they didn't change anything but the amounts.

Senator Nathe asked how many schools do the room and board other than Jordan.

Greg Goeopper replied that it has been declining in the past two years.

Senator Nathe asked if special education kids ride on the regular buses with the other kids.

Senator Waterman replied that some do, some don't. Depending on the severity.

Greg Goeopper stated that the more severe cases ride on the shorter bus with wheel chair lifts.

Amendments, Discussion, and Votes:

The amendments for SB 82 passed unanimously.

Recommendation and Vote:

SB 82 passed unanimously with amendments.

Ex. 1
2-13-91
SB 82

Amendments to Senate Bill No. 82
First Reading Copy

Requested by Office of Public Instruction
For the Committee on Senate Education

Prepared by Eddye McClure
January 18, 1991

1. Title, lines 9 through 12.
Following: "COUNTY;" on line 9
Strike: remainder of line 9 through "COUNTIES;" on line 11
Insert: "REQUIRING A REPORT TO THE 1993 LEGISLATURE;"
Following: "17-2-213," on line 11
Insert: "20-7-422,"
Following: "20-10-141," on line 12
Insert: "20-10-142,"

2. Title, line 14.
Strike: "A DELAYED"
Insert: "AN"

3. Page 1, line 15.
Insert: "WHEREAS, the Legislature recognizes its responsibility to develop a more equalized system of funding school transportation. It is the intent of the Legislature that this bill, which allows the Office of Public Instruction to develop data not currently available to monitor current spending by the school, be considered simply the first step toward providing a long-term solution to school transportation equalization problems in Montana. The Legislature also intends, as provided in [section 16], that the Office of Public Instruction continue to collect school transportation data and that equitable funding methods for school transportation be addressed by the 53rd Legislature."

4. Page 4, line 2; page 5, line 12.
Following: "20-9-366"
Strike: "(1) and (3)"

5. Page 6, line 6.
Following: line 5
Insert: "Section 4. Section 20-7-442, MCA, is amended to read:
"20-7-442. State transportation reimbursement for special education children. Districts providing children with transportation to a special education class or program and complying with the special education transportation regulations promulgated by the superintendent of public instruction shall be eligible for a transportation reimbursement. The reimbursement shall be calculated from a schedule established by the superintendent of public instruction with the state providing ~~two-thirds~~ 100% of the reimbursement ~~and the county in which the~~

~~children reside providing the remainder~~.""
Renumber: subsequent sections

6. Page 6, line 22.
Following: "~~school~~"
Strike: "elementary and high school"

7. Page 11, lines 8 through 15.
Following: line 7
Strike: subsection 2 in its entirety
Renumber: subsequent subsections

8. Page 12, line 18.
Following: "ANB""
Insert: ", for permissive and retirement guaranteed tax base purposes,"

9. Page 14, lines 8 through 16.
Following: line 7
Strike: subsection (3) in its entirety

10. Page 14, lines 21 and 22.
Following: "budgets" on line 21
Strike: the remainder of line 21 through "schedules" on line 22

11. Page 15, lines 1 and 2.
Following: "~~ef~~" on line 1
Strike: the remainder of line 1 through "obligation" on line 2

12. Page 15, lines 6 and 7.
Following: "budgets" on line 6
Strike: the remainder of line 6 through "schedules" on line 7

13. Page 15, lines 11 and 12.
Following: "~~ef~~" on line 11
Strike: the remainder of line 11 through "obligation" on line 12

14. Page 17, line 11.
Following: "~~and~~"
Strike: "80"
Insert: "90"

15. Page 17, line 16.
Following: "additional"
Strike: "2"
Insert: "2.25"

16. Page 17, line 18.
Following: "~~and~~"
Strike: "80"
Insert: "90"

17. Page 17, line 19.
Following: "~~mile~~"
Insert: "per bus mile"

Ex. 1
2-13-9
SB 82

18. Page 18, line 13.
Following: line 12
Insert: "**Section 11.** Section 20-10-142, MCA, is amended to read:

"**20-10-142. Schedule of maximum reimbursement for individual transportation.** The following rates for individual transportation constitute the maximum reimbursement to districts for individual transportation from state and county sources of transportation revenue under the provisions of 20-10-145 and 20-10-146. These rates also shall constitute the limitation of the budgeted amounts for individual transportation for the ensuing school fiscal year. The schedules provided in this section shall not be altered by any authority other than the legislature of the state of Montana. When the trustees contract with the parent or guardian of any eligible transportee to provide individual transportation for each day of school attendance, they shall reimburse the parent or guardian on the basis of the following schedule:

(1) When a parent or guardian transports an eligible transportee or transportees from the residence of the parent or guardian to a school or to schools located within 3 miles of one another, the total reimbursement per day of attendance shall be determined by multiplying the distance in miles between the residence and the school, or the most distant school if more than one, by 2, subtracting 6 miles from the product so obtained, and multiplying the difference by ~~20~~ 22.5 cents provided that:

(a) if two or more eligible transportees are transported by a parent or guardian to two or more schools located within 3 miles of one another and if such schools are operated by different school districts, the total amount of the reimbursement shall be divided equally between the districts;

(b) if two or more eligible transportees are transported by a parent or guardian to two or more schools located more than 3 miles from one another, the parent or guardian shall be separately reimbursed for transporting the eligible transportee or transportees to each school;

(c) if a parent transports two or more eligible transportees to a school and a bus stop which school and bus stop are located within 3 miles of one another, the total reimbursement shall be determined under the provisions of this subsection and shall be divided equally between the district operating the school and the district operating the bus;

(d) if a parent transporting two or more eligible transportees to a school or bus stop must, because of varying arrival and departure times, make more than one round-trip journey to the bus stop or school, the total reimbursement allowed by this section shall be limited to one round trip per day for each scheduled arrival or departure time;

(e) notwithstanding subsection (1)(a), (1)(b), (1)(c), or (1)(d), no reimbursement may be less than 25 cents a day.

(2) When the parent or guardian transports an eligible transportee or transportees from the residence to a bus stop of a bus route approved by the trustees for the transportation of the transportee or transportees, the total reimbursement per day of attendance shall be determined by multiplying the distance in miles between the residence and the bus stop by 2, subtracting 3

miles from the product so obtained, and multiplying the difference by ~~20~~ 22.5 cents provided that:

(a) if the eligible transportees transported attend schools in different districts but ride on one bus, the districts shall divide the total reimbursement equally; and

(b) if the parent or guardian is required to transport the eligible transportees to more than one bus, the parent or guardian shall be separately reimbursed for transportation to each bus.

(3) Where, due to excessive distances, impassable roads, or other special circumstances of isolation the rates prescribed in subsection (1) or (2) would be an inadequate reimbursement for the transportation costs or would result in a physical hardship for the eligible transportee, his parent or guardian may request an increase in the reimbursement rate. Such a request for increased rates due to isolation shall be made by the parent or guardian on the contract for individual transportation for the ensuing school fiscal year by indicating the special facts and circumstances which exist to justify the increase. Before any increased rate due to isolation can be paid to the requesting parent or guardian, such rate must be approved by the county transportation committee and the superintendent of public instruction after the trustees have indicated their approval or disapproval. Regardless of the action of the trustees and when approval is given by the county transportation committee and the superintendent of public instruction, the trustees shall pay such increased rate due to isolation. The increased rate shall be 1½ times the rate prescribed in subsection (1) above.

(4) When the isolated conditions of the household where an eligible transportee resides require such eligible transportee to live away from the household in order to attend school, he shall be eligible for the room and board reimbursement. Approval to receive the room and board reimbursement shall be obtained in the same manner prescribed in subsection (3) above. The per diem rate for room and board shall be ~~$5~~ $5.62 for one eligible transportee and ~~$3~~ $3.38 for each additional eligible transportee of the same household.

(5) When the individual transportation provision is to be satisfied by supervised home study or supervised correspondence study, the reimbursement rate shall be the cost of such study, provided that the course of instruction is approved by the trustees and supervised by the district.""

Renumber: subsequent sections

19. Page 23, line 4.
Following: "be"
Strike: "two-thirds"
Insert: "100%"

20. Page 23, lines 16 through 20.
Following: "20-10-146" on line 16
Strike: the remainder of line 16 through "pupils" on line 20

21. Page 30, lines 5 and 6.
Following: "requirement" on line 5

Strike: "separately"
Following: "all"
Strike: the remainder of line 5 through "school" on line 6

22. Page 30, lines 8 and 9.
Following: "joint" on line 8
Strike: the remainder of line 8 through "school" on line 9

23. Page 31, line 9.
Following: "year"
Strike: ", excluding" through "aid"

24. Page 31, line 14 through page 32, line 5.
Strike: subsection (3) in its entirety
Renumber: subsequent subsections

25. Page 32, line 20.
Following: line 19
Insert: "NEW SECTION. Section 16. Study of transportation funding. (1) During the 1991-92 interim, the office of public instruction is directed to collect data and to study methods for equalizing school transportation funding.

(2) The office of public instruction is further directed to report its findings and conclusions and make recommendations for improvements in school transportation funding to the 53rd legislature."
Renumber: subsequent section

26. Page 32, line 21.
Following: "July 1,"
Strike: "1992"
Insert: "1991"

regulation. The longest they could be out is 12 months. The best the state could do would be to sell the bonds July 1st and retire them June 30th the following year.

Closing by Sponsor:

REP. WANZENRIED said thanks for focussing attention to this very important matter. The folks who co-sponsored this bill are those who don't spend money wildly, people who have to be convinced, worked hard all their lives and know the value of a dollar. They were skeptical to begin with but after working through the numbers are convinced this is a good conceptual approach to provide funding. He stressed that the interest earned on the arbitrage won't go into the Office of Public Instruction's budget.

HEARING ON SB 82

Presentation and Opening Statement by Sponsor:

SENATOR FRED VAN VALKENBURG, Senate District 30, Missoula, said SB 82 is a product of the HB 28 oversight committee that worked on the issue of further equalizing school spending. This bill will be the first step towards equalization of transportation funding. Under the current system there is a maze that doesn't work well, wherein the OPI cannot provide accurate data. This bill provides a system where the state would provide 1/2 of the funding of the scheduled transportation costs and the other half would come from a county wide levy. In addition, the 2/3 payment of Special Education costs would go to 100% which would be consistent with its other funding. The bill requires the OPI to study this issue over the interim and return to the 1993 Legislature with the collected data.

Proponents' Testimony:

Greg Groepper, Office of Public Instruction, (OPI), said this bill stabilizes funding and makes sure elementary and high school districts raise their money for scheduled transportation. The state will pay 50% of on scheduled costs and the county, through a county levy, will pay the other 50%. He presented an amendment that directs the OPI to examine the cost of transportation and make a recommendation to the 1993 Legislature about how to further adjust transportation schedules to improve equalization. EXHIBIT 13 It is hard to achieve equalizatIon when you don't know the costs from district to district.

Pat Melby, Underfunded School Coalition, said SB 82 is a step in the right direction.

Wayne Buchanan, Board of Public Education, said the three components of equalization are covered by the Foundation Program, capital outlay, and transportation. This bill is a definite step in the right direction.

Opponents' Testimony: None

Questions From Committee Members:

REP. STANG asked Pat Melby if this concept uses the guaranteed tax base to determine the split of the money. Mr. Melby said no, the guaranteed tax base will not be used until the data is collected and reviewed.

REP. SIMPKINS asked Wayne Buchanan if this correlates with the time table the Board of Public Education established to finally equalize funding for schools. Mr. Buchanan answered he didn't know if the Board has a specific time table to address the issue.

Closing by Sponsor:

SEN. VAN VALKENBURG thanked the committee and urged a favorable vote on the bill.

EXECUTIVE ACTION ON SB 120

Motion: REP. MCCULLOCH moved SB 120 BE CONCURRED IN.

Discussion: REP. SIMPKINS said he opposed the bill because it establishes another string of appeals that could result in a great deal of money for school districts.

REP. FORRESTER said Sen. Bob Brown received the Montana School Boards Association's "Friend of Education Award" and would not sponsor legislation that would hurt education.

Vote: Motion CARRIED 14 to 6. EXHIBIT 14

ADJOURNMENT

Adjournment: 6.00 p.m.

TED SCHYE, Chair

DIANNE MCKITTRICK, Secretary

TS/dMcK

HOUSE OF REPRESENTATIVES

EDUCATION AND CULTURAL RESOURCES COMMITTEE

ROLL CALL DATE 3-12-91

NAME	PRESENT	ABSENT	EXCUSED
REP. TED SCHYE, CHAIRMAN	✓		
REP. ERVIN DAVIS, VICE-CHAIRMAN	✓		
REP. STEVE BENEDICT	✓		
REP. ERNEST BERGSAGEL	✓		
REP. ROBERT CLARK	✓		
REP. VICKI COCCHIARELLA	✓		
REP. FRED "FRITZ" DAILY			✓
REP. ALVIN ELLIS, JR.	✓		
REP. GARY FELAND	✓		
REP. GARY FORRESTER	✓		
REP. FLOYD "BOB" GERVAIS	✓		
REP. H.S. "SONNY" HANSON	✓		
REP. DAN HARRINGTON	✓		
REP. TOM KILPATRICK	✓		
REP. BEA MCCARTHY			✓
REP. SCOTT MCCULLOCH	✓		
REP. RICHARD SIMPKINS	✓		
REP. BARRY "SPOOK" STANG	✓		
REP. NORM WALLIN	✓		
REP. DIANA WYATT	✓		

CS05ED.MAN

EXHIBIT # 13
DATE 3-12-91
~~HB~~ SB 82

Amendments to Senate Bill No. 82
Third Reading Copy (Blue)

For the House Committee on Education and Cultural Resources

Prepared by Eddye McClure
March 6, 1991

1. Page 38.
Following: line 9
Insert: "NEW SECTION. **Section 17. Coordination instruction.** If House Bill No. 580 is passed and approved and if it includes a section that amends 20-9-366, then [section 7 of this act], amending 20-9-366, is void."
Renumber: subsequent section

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

EDUCATION & CULTURAL RESOURCES COMMITTEE BILL NO. SB 82

DATE 3-12-91 SPONSOR(S) Van Valkenburg

PLEASE PRINT PLEASE PRINT PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Larry Pasbenda	GFPS	✓	
Carol Fiedler	Montana School Transportation Assoc. Private Contractors	✓	
Dorothy Fraxler	Montana Eagle Forum	✓	✓
Kay McKenna	MACSS		✓
Fred Van Valkenburg	Senate Dist. 30	✓	
Pat Melby	Underfunded School Coalition	✓	
Ed Bartlett	Great Falls Public Schools	✓	
GARY STEINERWALD	BILLINGS PUBLIC SCHOOLS	✓	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

REP. MCCARTHY asked REP. TOOLE if he considered requesting funding from the State Board of Public Education or the Office of Public Instruction. REP. TOOLE answered if HJR 49 passes, the question of funding will come up at the end of session and there are various ways to approach it.

Closing by Sponsor:

REP. TOOLE said the business world in the US is concerned about education. Many people in the business community are talking about the current education system. It merits a serious look and careful consideration.

EXECUTIVE ACTION ON SB 82

Motion: REP. STANG moved SB 82 BE CONCURRED IN.

Discussion: CHAIRMAN SCHYE said this bill costs money and if passed would be re-referred to the Appropriations Committee. It is not an appropriations bill but it does take money.

Vote: Motion CARRIED upon voice vote 11 to 7 with REPS. BENEDICT, BERGSAGEL, ELLIS, FELAND, HANSON, SIMPKINS, and WALLIN voting no.

EXECUTIVE ACTION ON SB 17

Motion: REP. STANG moved SB 17 BE CONCURRED IN.

Motion/Vote: CHAIRMAN SCHYE moved to adopt amendments to SB 17. EXHIBIT 2 Motion CARRIED unanimously.

Discussion: REP. SIMPKINS questioned protested taxes being given to the school districts. The money is given on the state level and then when the protested taxes are paid the districts also receive that money. Is that correct? Jan Thompson, Office of Public Instruction, (OPI), answered that currently when protested taxes are paid the district must reimburse the state. REP. STANG explained this simply allows the school districts to make up for funds they couldn't spend because of 105. This bill allows districts to spend a portion of what the local taxpayers raise. REP. SIMPKINS said some protests result in very sizeable amounts of money. Local taxpayers should receive the refund, not the school system. Dori Nielson, OPI, explained this is not a "double-dip". School districts keep only district mill protested taxes.

Motion/Vote: REP. STANG made a substitute motion SB 17 BE CONCURRED IN AS AMENDED. Motion carried 11 to 7 with REPS. BENEDICT, BERGSAGEL, ELLIS, FELAND, HANSON, SIMPKINS and WALLIN voting no.

EXECUTIVE ACTION ON HJR 49

HOUSE OF REPRESENTATIVES

EDUCATION AND CULTURAL RESOURCES COMMITTEE

ROLL CALL DATE 4-2-91

NAME	PRESENT	ABSENT	EXCUSED
REP. TED SCHYE, CHAIRMAN	✓		
REP. ERVIN DAVIS, VICE-CHAIRMAN	✓		
REP. STEVE BENEDICT	✓		
REP. ERNEST BERGSAGEL	✓		
REP. ROBERT CLARK			✓
REP. VICKI COCCHIARELLA	✓		
REP. FRED "FRITZ" DAILY			✓
REP. ALVIN ELLIS, JR.	✓		
REP. GARY FELAND			✓
REP. GARY FORRESTER	✓		
REP. FLOYD "BOB" GERVAIS	✓		
REP. H.S. "SONNY" HANSON	✓		
REP. DAN HARRINGTON	✓		
REP. TOM KILPATRICK	✓		
REP. BEA MCCARTHY	✓		
REP. SCOTT MCCULLOCH	✓		
REP. RICHARD SIMPKINS	✓		
REP. BARRY "SPOOK" STANG	✓		
REP. NORM WALLIN	✓		
REP. DIANA WYATT	✓		

CS05ED.MAN

HOUSE STANDING COMMITTEE REPORT

April 2, 1991

Mr. Speaker: We, the committee on Education and Cultural Resources report that Senate Bill 82 (third reading copy -- blue) be concurred in .

Signed: _____
Ted Schye, Chairman

Carried by: Rep. _____